



# BEST BUY: LEVERAGING MAINTENANCE FUNDS FOR ENERGY EFFICIENCY UPGRADES

#### **SOLUTION OVERVIEW**

Lighting presents a significant opportunity to reduce energy use, particularly in retail facilities. The Best Buy Enterprise Energy Management Team noted an opportunity to reduce lighting energy by replacing miscellaneous display lighting throughout the stores in the Best Buy chain with more efficient LED lamps. The replacements would also reduce maintenance costs since LED lamps have a longer life and would require fewer change-outs in coming years. The challenge was allocating capital to retrofit the entire chain of stores at once – the project had not been planned for, and the capital was not available.

Best Buy is implementing the massive display lighting replacement across all of its domestic stores without spending capital funds – one burned out bulb at a time – with changes to its purchasing catalog and to the corporate purchasing policy. The Enterprise Energy Management Team has worked with district staff, store managers, Procurement, Facilities, IT departments, and strategic third party vendors to implement the retrofit using existing maintenance funds.

# **ORGANIZATION TYPE**

Retail

#### **BARRIER**

Limited capital funds for energy efficiency

#### **SOLUTION**

A rolling portfolio-wide lighting retrofit program using maintenance funds instead of capital budget

#### **OUTCOME**

Reduced energy and labor expenses

#### **POLICIES**

Best Buy requires all store lamps to be purchased from the online Buy-It Catalog.

# **PROCESS**

The previous lighting catalog included over 150+ lighting options and complicated product descriptions. The lighting options were at least 30% less energy efficient than alternatives on the market. The Energy Management team researched alternative lamps offered by the major LED manufacturers and tested new lamp candidates for at least six months before confirming new options. It was important to determine if energy efficient options maintained lighting quality in the stores, and to confirm there were no significant maintenance issues. New lighting options also had to meet Best Buy's return on investment requirements.

The Buy-It Catalog, the new online lighting purchasing catalog, offers energy efficient options for each display lighting lamp installed Best Buy Stores. In addition to making energy efficient options the only option for purchase, Best Buy upgraded the catalog user interface and improved lamp descriptions to make it easier for employees to place orders.

The Energy Management Team conducts a bi-annual review of all lamps offered through the catalog and the newest products available, to ensure that the catalog remains up-to-date as lighting technology rapidly changes and prices drop.

# **OUTREACH**

The rollout to store staff consisted of multiple communications before and after publication of the new lighting catalog on the corporate intranet. The new catalog was well-received by staff, though store staff still occasionally purchase lighting from outside sources. To help operationalize the new purchasing policy and familiarize employees with the catalog, Best Buy developed a lighting purchasing e-learning session offered as part of the energy efficiency module available to employees on the corporate intranet. Designated retail employees with procurement responsibilities are required to complete the e-learning session.

# **OUTCOMES**

Since the program's 2012 inception, 13,174 lamps have been replaced with more efficient LED or fluorescent options across the building portfolio. Fewer burned out lamps and better overall lighting in display areas has improved the customer experience. Store employees also report that the enhanced catalog interface also makes it easier to place lighting orders. Since the program's 2012 inception, 13,174 lamps have been replaced with more efficient LED or fluorescent options across the building portfolio.

Click <u>here</u> to view a screen shot of the Buy-It Catalog.

# **MEASURING SUCCESS**

The success of the project is measured in several ways:

- Energy savings
- Maintenance and labor cost savings